Project; however a fresh package of incentives has now been offered by the Government of Orissa.

Circulation of mutilated currency notes in A.P.

*336. DR. DASARI NARAYANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that torn, mutilated and dirty currency notes of smaller denominations are in circulation in Andhra Pradesh and banks and their branches refuse to exchange these notes resulting in hardships to people and traders;

(b) if so, the details thereof; and

(c) the remedial measures being taken to improve the situation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The printing of smaller denomination notes of Re. 1, Rs. 2 and Rs. 5 was stopped in November, 1994, February, 1995 and November, 1995 respectively. Some of these notes are in circulation throughout the country including the State of Andhra Pradesh.

(c) Reserve Bank of India (RBI) has issued instructions to all Public Sector Banks and the currency chest branches to exchange torn and mutilated notes tendered by the public. Further, when any specific complaint is received, immediate instructions are issued to the concerned bank to redress the grievances.

Diversion of funds by financial companies

*337. SHRI A. VIJAYA RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether companies divert funds lent by financial institutions for unauthorised purposes, despite the presence of nominees of financial institutions on their Boards;

(b) if so, the details of such companies alongwith the details of funds diverted during the last three years, year-wise;

(c) whether Industrial Development Bank of India has examined the above diversion of funds;